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Subject: NEWS AND BUSINESS SUMMARY AM# AM NEWS/BIZ/PREP UPDATE ON THE LATEST NEWS, SPORTS, BUSINESS AND ENTERTAINMENT: UNDATED (AP) _ ITALY -CRUISE SHIP AGROUND

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UNCLAS

SUBJ/NEWS AND BUSINESS SUMMARY AM#
AM NEWS/BIZ/PREP
UPDATE ON THE LATEST NEWS, SPORTS, BUSINESS AND ENTERTAINMENT:
UNDATED (AP) _
ITALY-CRUISE SHIP AGROUND
COAST GUARD: SHIP AGROUND OFF ITALY, BODIES FOUND
PORTO SANTO STEFANO, ITALY (AP) _ AT LEAST THREE PEOPLE ARE DEAD
AND AT LEAST TWO INJURED PEOPLE ARE REPORTED IN GRAVE CONDITION
AFTER A LUXURY CRUISE SHIP RAN AGROUND OFF THE COAST OF TUSCANY.
THE ITALIAN COAST GUARD SAYS THERE'S CONCERN THERE MAY BE MORE
DEATHS.
OFFICIALS SAY A PAINSTAKING SEARCH OF THE SHIP'S INTERIOR IS
UNDER WAY TO SEE IF ANY ONE MIGHT HAVE BEEN TRAPPED INSIDE. SOME
CREW MEMBERS REMAINED ABOARD THE LISTING SHIP TO HELP.
THE GROUNDING GASHED THE HULL THE SHIP CARRYING ABOUT 4,200
PEOPLE.
OFFICIALS SAY HELICOPTERS ARE EVACUATING SOME PEOPLE STILL ABOARD
THE COSTA CONCORDIA LINER NEAR THE TUSCAN ISLAND OF GIGLIO.
IRAQ
IRAQ: BOMB KILLS SHIITE PILGRIMS IN SOUTH
ZUBAIR, IRAQ (AP) _ IRAQI OFFICIALS SAY A BOMB HAS KILLED AT
LEAST 30 SHIITE PILGRIMS NEAR THE SOUTHERN PORT CITY OF BASRA
SATURDAY.
OFFICIALS SAY IT'S NOT CLEAR WHETHER THE BLAST NEAR A SHRINE WAS
CAUSED BY A SUICIDE ATTACKER OR A ROADSIDE BOMB.
AN OFFICIAL AT THE BASRA HEALTH DIRECTORATE AND A POLICE OFFICIAL
CONFIRMED THE DEATH TOLL. THEY SPOKE ANONYMOUSLY BECAUSE THEY
WERE
NOT AUTHORIZED TO RELEASE DETAILS TO THE MEDIA. DOZENS OF PEOPLE
WERE WOUNDED.
THE ATTACKS COME AS SHIITES COMMEMORATE THE END OF 40 DAYS OF
MOURNING FOLLOWING THE ANNIVERSARY OF THE DEATH OF IMAM HUSSEIN,
A
REVERED SHIITE FIGURE.
IT'S THE LATEST IN A SERIES OF ATTACKS DURING SHIITE RELIGIOUS
COMMEMORATIONS THAT THREATEN TO FURTHER INCREASE SECTARIAN
TENSIONS
JUST WEEKS AFTER THE U.S. WITHDRAWAL.
NOME ICED IN
NEW: TRICKY TRANSFER AWAITS TANKER IN NOME

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ANCHORAGE, ALASKA (AP) _ A DELICATE ICE DANCE IS ABOUT TO TAKE PLACE OFF FROZEN-IN NOME ALASKA WHERE A RUSSIAN TANKER IS PREPARING TO PUMP MORE THAN A MILLION GALLONS OF MUCH-NEEDED DIESEL AND GASOLINE. BUT IN ORDER TO DO THAT SAFELY, THE TANKER MUST POSITION ITSELF NEAR ENOUGH TO THE ICED-IN HARBOR TO SEND THAT CARGO THROUGH A MILE -LONG HOSE.

A COAST GUARD ICE-BREAKER THAT HELPED GUIDE THE SHIP THROUGH BERING SEA ICE CAN'T GET TOO CLOSE TO SHORE BECAUSE IT'S TOO SHALLOW. SO THE TRICK IS TO PLACE THE TANKER RENDA IN A SPOT WHERE

IT CAN PUMP FUEL AND THE ICE-BREAKER CAN GET IT LOOSE LATER. A FALL STORM PREVENTED NOME FROM GETTING A FINAL FUEL DELIVERY BY BARGE IN NOVEMBER. THERE WONT BE ANOTHER BARGE UNTIL SPRING AND WITHOUT THE TANKER DELIVERY, NOME WILL RUN OUT OF FUEL.

EUROPE -FINANCIAL CRISIS

NEW: FRANCE TO PURSUE REFORMS AFTER DOWNGRADE

PARIS (AP) _ FRANCE'S PRIME MINISTER SAYS THE GOVERNMENT WILL PUSH AHEAD WITH REFORMS AFTER THE COUNTRY'S TOP-TIER DEBT RATING WAS DOWNGRADED.

HE SAYS THE DECISION BY RATINGS AGENCY STANDARD & POOR'S HIGHLIGHTS THE NEED FOR CLOSER EUROPEAN UNITY AND COLLECTIVE GOVERNANCE.

HE TOLD A NEWS CONFERENCE SATURDAY THAT THE SIGNIFICANCE OF THE FRIDAY NIGHT DECISION "SHOULD NOT BE DRAMATIZED ANY MORE THAN IT SHOULD BE UNDERESTIMATED."

HE INSISTED FRANCE IS A RELIABLE INVESTMENT AND PRESIDENT NICOLAS SARKOZY WILL PUSH AHEAD WITH COST-CUTTING MEASURES HE HAS PLEDGED.

FRANCE IS CENTRAL TO BAILOUT EFFORTS FOR STRUGGLING EUROZONE COUNTRIES AND THE DOWNGRADE MEANS ITS OWN BORROWING COSTS COULD RISE, MAKING IT HARDER TO HELP OTHERS.

PAKISTAN

PAKISTAN OFFICIALS TO MEET ON RULES FOR US, NATO

ISLAMABAD (AP) _ A PAKISTANI SECURITY OFFICIAL SAY THE COUNTRY'S TOP MILITARY AND CIVILIAN LEADERS ARE SET TO MEET SATURDAY IN A CLOSED-DOOR SESSION TO DISCUSS PROPOSED NEW RULES FOR COORDINATING

WITH THE UNITED STATES AND NATO.

THE MEETING COULD ALSO PROVIDE AN OPPORTUNITY FOR RECONCILIATION BETWEEN CIVILIAN AND MILITARY OFFICIALS AFTER A WEEK OF ESCALATING

TENSIONS AND RUMORS OF A COUP ON THE HORIZON. THE OFFICIAL SAID BOTH

THE ARMY CHIEF AND THE PRIME MINISTER ARE EXPECTED TO ATTEND.

ERRANT U.S. AIRSTRIKES IN NOVEMBER KILLED TWO DOZEN PAKISTAN TROOPS AND PUSHED STRAINED TIES BETWEEN THE TWO NATIONS CLOSE TO COLLAPSE.

A DEFENSE MINISTRY OFFICIAL CONFIRMED THE MEETING. BOTH SPOKE ANONYMOUSLY BECAUSE OF THE SENSITIVITY OF THE ISSUE.

GOP CAMPAIGN

HUCKABEE HOSTING A SC FORUM FOR GOP CANDIDATES

ONE OF THE REPUBLICAN CANDIDATES IN THE 2008 RACE, FORMER ARKANSAS GOV. MIKE HUCKABEE, IS HOSTING THIS YEAR'S GOP CANDIDATES

AT A NOON FORUM IN CHARLESTON, S.C.

SATURDAY'S EVENT WILL FEATURE FIVE OF THE CANDIDATES RUNNING IN THE JAN. 21 SOUTH CAROLINA PRIMARY. ONLY CONGRESSMAN RON PAUL IS NOT

PARTICIPATING.

BEFORE THE FORUM, RICK PERRY PLANS TO MEET VOTERS IN MOUNT PLEASANT, S.C. RICK SANTORUM HAS EVENTS SCHEDULED IN GREENVILLE

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IN
THE MORNING AND IN MOUNT PLEASANT IN THE AFTERNOON.
NEWT GINGRICH IS HOSTING A TOWN HALL MEETING IN THE AFTERNOON IN
COLUMBIA PLUS MORNING AND EVENING CONFERENCE CALLS FOR VOTERS
WITH
QUESTIONS.
MITT ROMNEY HAS A CAMPAIGN EVENT PLANNED IN THE AFTERNOON IN
SUMTER, AND JON HUNTSMAN IS HOSTING AN AFTERNOON TOWN HALL
MEETING
ON HILTON HEAD ISLAND.
IRAN-NUCLEAR
IRAN HOLDS US, UK ACCOUNTABLE FOR ASSASSINATION
TEHRAN, IRAN (AP) _ IRAN'S OFFICIAL NEWS AGENCY SAYS THE COUNTRY
IS HOLDING BOTH THE UNITED STATES AND BRITAIN ACCOUNTABLE FOR THE
ASSASSINATION OF AN IRANIAN NUCLEAR SCIENTIST.
A SATURDAY REPORT BY IRNA NEWS AGENCY SAYS TEHRAN SENT TWO
SEPARATE DIPLOMATIC NOTES TO BRITAIN AND THE UNITED STATES,
INSISTING THAT BOTH COUNTRIES HAD AN "OBVIOUS ROLE" IN THE
WEDNESDAY KILLING OF MOSTAFA AHMADI ROSHAN.
THE U.S. HAS DENIED HAVING ANY ROLE IN THE SLAYING. BRITAIN'S
FOREIGN OFFICE CONDEMNED THE KILLING OF CIVILIANS AFTER THE
ATTACK.
SINCE 2010, BLASTS HAVE KILLED AT LEAST FOUR IRANIAN NUCLEAR
SCIENTISTS.
HOMELESS HOMICIDES
HOMELESS MAN STABBED TO DEATH IN ANAHEIM
ANAHEIM, CALIF. (AP) _ POLICE SAY A HOMELESS MAN HAS BEEN FOUND
STABBED TO DEATH IN ANAHEIM AND A POSSIBLE SUSPECT HAS BEEN
DETAINED.
ANAHEIM POLICE SGT. BOB DUNN SAYS THE MAN WAS FOUND DEAD FRIDAY
NIGHT AT LA PALMA AND IMPERIAL HIGHWAY. THE MANNER OF DEATH HAS
NOT
BEEN RELEASED.
DUNN SAYS AT LEAST ONE PERSON MAY HAVE BEEN DETAINED IN
CONNECTION WITH THE DEATH.
THREE HOMELESS MEN HAVE BEEN STABBED TO DEATH IN NORTH ORANGE
COUNTY SINCE DEC. 21. POLICE SAY THEY BELIEVE ALL THREE WERE
VICTIMS
OF A SERIAL KILLER.
INDIA-INTERNET
MAJOR WEBSITES FACE PROSECUTION IN INDIA
NEW DELHI (AP) _ GOOGLE, YAHOO, FACEBOOK AND OTHER WEBSITES ARE
FACING PROSECUTION IN INDIAN COURTS FOR REFUSING TO CENSOR
THEMSELVES AND REMOVE CONTENTS CONSIDERED INSULTING TO INDIAN
LEADERS AND MAJOR RELIGIOUS FIGURES.
GOVERNMENT OFFICIALS ARE UPSET ABOUT WEB PAGES THAT ARE INSULTING
TO PRIME MINISTER MANMOHAN SINGH, RULING CONGRESS PARTY LEADER
SONIA
GANDHI AND MAJOR RELIGIOUS FIGURES. SOME ILLUSTRATIONS HAVE SHOWN
SINGH AND GANDHI IN COMPROMISING POSITIONS AND PIGS RUNNING
THROUGH
MECCA, ISLAM'S HOLIEST CITY.
THE FEDERAL GOVERNMENT SAID ON FRIDAY THAT THERE WAS SUFFICIENT
MATERIAL TO PROCEED AGAINST 21 SOCIAL NETWORKING SITES FOR
OFFENSES
OF "PROMOTING ENMITY BETWEEN CLASSES AND CAUSING PREJUDICE TO
NATIONAL INTEGRATION," ACCORDING TO THE PRESS TRUST OF INDIA
NEWS
AGENCY.
MARINES - TALIBAN CORPSES
MARINES NAME GENERAL TO HANDLE VIDEO PROBES
WASHINGTON (AP) _ THE MARINE CORPS HAS APPOINTED A THREE-STAR
GENERAL TO DECIDE WHAT, IF ANY, DISCIPLINARY ACTION TO TAKE
AGAINST

From: svcsmartmfi
Sent: 1/15/2012 7:00:25 AM
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Subject: DAILY NEWS AND BUSINESS SUMMARY AM# NEWS 1.15 ITALY-CRUISE AGROUND 3RD SURVIVOR FOUND ON STRICKEN CRUISE SHIP GIGLIO, ITALY (AP) A SPOKESMAN FOR ITALIAN FIREFIGHTERS SAYS A

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NEWS 1.15
ITALY-CRUISE AGROUND
3RD SURVIVOR FOUND ON STRICKEN CRUISE SHIP
GIGLIO, ITALY (AP) A SPOKESMAN FOR ITALIAN FIREFIGHTERS SAYS A
THIRD SURVIVOR HAS BEEN LOCATED INSIDE THE OVERTURNED COSTA
CONCORDIA CRUISE SHIP.
LUCA CARI TOLD THE ASSOCIATED PRESS THAT RESCUERS HAVE SPOKEN TO
THE PERSON INSIDE THE SHIP BUT THE SURVIVOR HAS NOT YET BEEN
REMOVED.
LATE SATURDAY A SOUTH KOREAN COUPLE ON THEIR HONEYMOON WERE
RESCUED.
THREE PEOPLE ARE CONFIRMED DEAD, AND SOME 40 REMAIN UNACCOUNTED
-FOR.
MEANWHILE, MEDIA REPORTS QUOTE A PROSECUTOR AS SAYING THE CAPTAIN
OF THE CRUISE SHIP DELIBERATELY CHOSE A SEA ROUTE THAT WAS TOO
CLOSE
TO SHORE.
ITALIAN STATE TV AND SKY TV SAY THE CAPTAIN IS BEING INVESTIGATED
FOR SUSPECTED MANSLAUGHTER, ABANDONING SHIP BEFORE ALL OTHERS,
AND
CAUSING A SHIPWRECK. MORE THAN 4,000 PEOPLE EVACUATED.
ITALY-CRUISE AGROUND -CAPTAIN
ITALIAN MEDIA: CAPTAIN IN CRUISE CASE DETAINED
PORTO SANTO STEFANO, ITALY (AP) ITALIAN MEDIA REPORT THAT THE
CAPTAIN OF A CRUISE LINER THAT RAN AGROUND WITH SOME 4,000 PEOPLE
ABOARD HAS BEEN DETAINED FOR QUESTIONING IN THE CASE.
SKY ITALIA REPORTED SATURDAY THAT INVESTIGATORS BASED IN THE
TUSCAN CITY OF GROSSETO CONFIRMED FRANCESCO SCHETTINO WAS
DETAINED
FOR INVESTIGATION OF ALLEGED MANSLAUGHTER, ABANDONING HIS SHIP
WHILE
PEOPLE WERE STILL ABOARD AND CAUSING A SHIPWRECK.
THE ANSA NEWS AGENCY SAYS HE WAS TAKEN TO GROSSETO'S JAIL, TO BE
HELD UNTIL NEXT WEEK, WHEN A JUDGE WILL DECIDE WHETHER HE SHOULD
BE
RELEASED OR FORMALLY PUT UNDER ARREST. THE COURTHOUSE WAS CLOSED
LATE SATURDAY AND COULDN'T BE REACHED.
IN ITALY, SUSPECTS CAN BE HELD WITHOUT CHARGE FOR A FEW DAYS FOR
INVESTIGATION. A JUDGE MUST EITHER VALIDATE THE JAILING, PUTTING

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THE
SUSPECT UNDER ARREST, OR DECLARE HIM FREE TO GO.

US-ITALY-CRUISE AGROUND

US: NO REPORTS OF AMERICANS INJURED ON CRUISE SHIP
WASHINGTON (AP) THE STATE DEPARTMENT ESTIMATES THAT 126 U.S.
CITIZENS WERE ABOARD THE CRUISE SHIP THAT RAN AGROUND OFF THE
ITALIAN COAST, BUT THE U.S. HAS NO REPORTS OF INJURIES SO FAR.
SPOKESWOMAN VICTORIA NULAND SAID THE U.S. IS WORKING TO GET AN
EXACT COUNT ABOUT THE NUMBER OF AMERICANS WHO WERE ON THE COSTA
CONCORDIA.
SHE SAYS THE U.S. EMBASSY HAS SET UP A CRISIS RESPONSE TEAM IN
ROME AND U.S. CITIZENS ARE BEING ASSISTED WITH DOCUMENTATION AND
LODGING.
THE LUXURY LINER WITH 4,234 ABOARD RAN AGROUND OFF THE ISLAND OF
GIGLIO NEAR THE COAST OF TUSCANY LATE FRIDAY. THREE BODIES HAVE
BEEN
RECOVERED FROM THE SEA.

HOMELESS HOMICIDES

DETAINED MAN SUSPECT IN 4 CALIF. HOMELESS KILLINGS
ANAHEIM, CALIF. (AP) A SOUTHERN CALIFORNIA POLICE OFFICIAL SAYS
INVESTIGATORS ARE "EXTREMELY CONFIDENT" A MAN IN THEIR CUSTODY
IS
RESPONSIBLE FOR ALL FOUR RECENT KILLINGS OF HOMELESS MEN IN
ORANGE
COUNTY.
ANAHEIM POLICE CHIEF JOHN WELTER SAID SATURDAY INVESTIGATORS HAVE
TIED THE KILLINGS TO 23-YEAR-OLD ITZCOATL OCAMPO OF YORBA LINDA.
OCAMPO WAS DETAINED FRIDAY NIGHT AFTER A FOURTH HOMELESS MAN WAS
FOUND SLAIN IN A FAST-FOOD RESTAURANT PARKING LOT.
AUTHORITIES SAY WITNESSES AND BYSTANDERS AT THE CRIME SCENE
CHASED OCAMPO ON FOOT, AND HE WAS CAPTURED BY AN OFFICER WHO WAS
PART OF A PERIMETER.
THREE OTHER HOMELESS MEN HAVE BEEN FOUND STABBED TO DEATH IN
NORTH ORANGE COUNTY SINCE MID-DECEMBER, AND A TASK FORCE HAD BEEN
LOOKING FOR A SINGLE SUSPECT THEY BELIEVED WAS RESPONSIBLE.
A PHONE LISTING IN OCAMPO'S NAME RANG WITHOUT AN ANSWER, AND NO
ONE ANSWERED THE DOOR AT TWO ADDRESSES LISTED IN HIS NAME.

US-MYANMAR

SECRETARY OF STATE SAYS US WILL REWARD MORE MYANMAR REFORMS
WASHINGTON (AP) SECRETARY OF STATE HILLARY RODHAM CLINTON SAYS
THE U.S WILL EMBRACE MYANMAR FURTHER IF THE ONCE-ESTRANGED ASIAN
GOVERNMENT RELEASES ALL REMAINING POLITICAL PRISONERS, ENDS
VIOLENCE
AGAINST MINORITIES AND CUTS MILITARY TIES WITH NORTH KOREA.
CLINTON SPOKE BY TELEPHONE SATURDAY WITH THE FOREIGN MINISTER OF
THE COUNTRY ALSO KNOWN AS BURMA, AS WELL AS WITH OPPOSITION
LEADER
AUNG SAN SUU KYI.
SHE TOLD THEM WASHINGTON IS "PREPARED TO MEET ACTION WITH ACTION
," A DAY AFTER THE U.S. AND MYANMAR AGREED TO EXCHANGE
AMBASSADORS
AND RESTORE FULL DIPLOMATIC RELATIONS.
STATE DEPARTMENT SPOKESWOMAN VICTORIA NULAND SAID CLINTON ALSO
COMMENDED THE MYANMAR GOVERNMENT'S RELEASE OF HUNDREDS OF
POLITICAL
PRISONERS AND ITS CEASE-FIRE WITH THE KAREN MINORITY. BUT NULAND
SAID CLINTON STRESSED FURTHER STEPS.
NULAND SAID SUU KYI VOICED SUPPORT FOR U.S. DIPLOMATIC EFFORTS.

SYRIA

SYRIAN PRESIDENT GRANTS GENERAL AMNESTY
BEIRUT (AP) SYRIA'S STATE NEWS AGENCY SAYS PRESIDENT BASHAR ASSAD
HAS GRANTED A GENERAL AMNESTY FOR CRIMES COMMITTED DURING THE
UNREST
OF THE PAST 10 MONTHS.

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SANA SAYS THE AMNESTY ISSUED SUNDAY COVERS THOSE WHO HAVE PEACEFULLY DEMONSTRATED, THOSE WHO HAVE CARRIED UNLICENSED WEAPONS AND THOSE WHO HAND OVER THEIR WEAPONS TO AUTHORITIES BEFORE THE END OF JANUARY.
IT ALSO APPLIES TO ARMY DESERTERS WHO FLED MILITARY SERVICE IF THEY TURN THEMSELVES IN BEFORE JAN. 31.
IT WAS NOT CLEAR HOW MANY PRISONERS WOULD BE AFFECTED BY SUNDAY'S PARDON.
SINCE THE OUTBREAK OF THE UPRISING AGAINST ASSAD'S RULE IN MARCH, ASSAD HAS FREED 3,952 PRISONERS, ACCORDING TO SANA.
THE OPPOSITION CLAIMS THERE ARE THOUSANDS MORE IN SYRIAN PRISONS.

SYRIA-UN

UN CHIEF SAYS SYRIAN PRESIDENT MUST STOP VIOLENCE
BEIRUT (AP) THE U.N. SECRETARY GENERAL SAYS SYRIA'S PRESIDENT MUST STOP KILLING HIS OWN PEOPLE.
BAN KI-MOON SPOKE SUNDAY DURING A CONFERENCE IN BEIRUT ON DEMOCRACY IN THE ARAB WORLD.
HE SAID THE "PATH OF REPRESSION IS A DEAD END."
SYRIAN PRESIDENT BASHAR ASSAD IS TRYING TO CRUSH A 10-MONTH-OLD UPRISING THAT HE BLAMES ON TERRORISTS AND ARMED GANGS. THE U.N. ESTIMATES MORE THAN 5,000 PEOPLE HAVE BEEN KILLED IN THE GOVERNMENT'S CRACKDOWN.

GOP CAMPAIGN-FORUM

GINGRICH DEFENDS BAIN CRITICISMS IN SC GOP FORUM
CHARLESTON, S.C. (AP) PRESIDENTIAL CANDIDATE NEWT GINGRICH SAYS REPUBLICANS WILL ERR IF THEY DON'T SCRUTINIZE MITT ROMNEY'S ROLE IN
A PRIVATE EQUITY FIRM CALLED BAIN CAPITAL.
THE FORMER HOUSE SPEAKER SAID SATURDAY THAT PRESIDENT BARACK OBAMA WILL HAMMER AT BAIN IF ROMNEY IS THE NOMINEE THIS FALL.
GINGRICH AND FOUR OTHER CANDIDATES SPOKE AT A FOX NEWS FORUM IN SOUTH CAROLINA.
ROMNEY SAID HE WANTS THE FEDERAL GOVERNMENT OUT OF THE HOUSING BUSINESS SO THE FREE MARKET CAN WORK.
FORMER UTAH GOV. JON HUNTSMAN SAID ABORTIONS SHOULD BE LEGAL IN CASES OF RAPE AND INCEST. FORMER SEN. RICK SANTORUM SAID THEY SHOULD NOT.
TEXAS GOV. RICK PERRY TOUTED HIS CALL FOR A 20 PERCENT FLAT TAX.

GINGRICH

GINGRICH FACES TOUGH QUESTIONS AT BLACK CHURCH
COLUMBIA, S.C. (AP) REPUBLICAN PRESIDENTIAL CANDIDATE NEWT GINGRICH IS BEING CHALLENGED ABOUT HIS PAST STATEMENTS ON RACE AND
CLASS DURING A FORUM AT A BLACK CHURCH IN SOUTH CAROLINA.
GINGRICH IS TAKING QUESTIONS FROM A CROWD OF MORE THAN 50 PEOPLE AT JONES MEMORIAL A.M.E. ZION CHURCH. SEVERAL QUESTIONERS ASKED GINGRICH ABOUT HIS ASSERTION LAST MONTH THAT POOR CHILDREN LACK WORK ETHIC AND SHOULD WORK AT LEAST PART TIME CLEANING THEIR SCHOOLS IN ORDER TO LEARN ABOUT WORK.
GINGRICH SAYS HIS COMMENTS WERE MISCONSTRUED.
THE FORUM WAS A RARE APPEARANCE BY A PRESIDENTIAL PRIMARY CANDIDATE BEFORE AN AUDIENCE UNLIKELY TO VOTE IN HIS PARTY'S PRIMARY. EXIT POLLS INDICATE THAT BLACKS MADE UP JUST 2 PERCENT OF
THOSE WHO VOTED IN SOUTH CAROLINA'S 2008 REPUBLICAN PRIMARY.

SANTORUM

SOCIAL CONSERVATIVE LEADERS VOTE TO BACK SANTORUM
GREENVILLE, S.C. (AP) A GROUP OF SOCIAL CONSERVATIVE LEADERS IS

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BACKING RICK SANTORUM IN THE GOP PRESIDENTIAL RACE IN A BID TO STOP

MITT ROMNEY'S MOMENTUM.

EVANGELICALS WERE AMONG ABOUT 150 CONSERVATIVES VOTING IN TEXAS ON SATURDAY TO BACK SANTORUM RATHER THAN FORMER HOUSE SPEAKER NEWT

GINGRICH AND TEXAS GOV. RICK PERRY. MANY FEEL ROMNEY CANNOT BE STOPPED UNLESS CONSERVATIVES UNITE BEHIND ONE RIVAL.

PARTICIPANT TONY PERKINS SAID SANTORUM GOT 75 PERCENT OF THE VOTE AGAINST GINGRICH AFTER THE GROUP DISCUSSED EARLIER BALLOTING IN WHICH SANTORUM'S MARGIN WAS SMALLER.

IT'S UNCLEAR WHETHER THE GROUP WILL INFLUENCE THE JAN. 21 SOUTH CAROLINA PRIMARY.

SOME CONSERVATIVE ACTIVISTS OPPOSE ROMNEY BECAUSE HE SUPPORTED ABORTION RIGHTS WHILE MASSACHUSETTS GOVERNOR.

POTUS-REPUBLICANS

PRESIDENT PROMOTES GOVERNMENT STREAMLINING; GOP TALKS ENERGY IN WEEKLY ADDRESSES

WASHINGTON (AP) PRESIDENT BARACK OBAMA IS USING HIS WEEKLY RADIO AND INTERNET ADDRESS TO PROMOTE GOVERNMENT STREAMLINING AND JOBS INCENTIVES HE UNVEILED DURING THE WEEK.

REPUBLICANS ARE EXTOLING THE BENEFITS OF A PROPOSED OIL PIPELINE FROM CANADA TO REFINERIES IN TEXAS.

OBAMA SAYS HIS INITIATIVE TO CONSOLIDATE AGENCIES WILL MAKE THE GOVERNMENT LEANER AND MORE EFFICIENT. HE IS ALSO PROMISING TAX INCENTIVES FOR BUSINESSES THAT HE SAYS WILL BRING JOBS TO THE U.S.

INSTEAD OF SHIPPING THEM OVERSEAS. HE WANTS TO ELIMINATE TAX BREAKS

FOR COMPANIES THAT OUTSOURCE.

FOR THE GOP, NORTH DAKOTA SEN. JOHN HOEVEN SAYS THE KEYSTONE XL PROJECT WILL CREATE JOBS BY BRINGING THE OIL TO U.S. REFINERIES.

HE

SAYS WITHOUT IT, THE OIL WILL STILL BE PRODUCED AND WIND UP IN CHINA.

HOEVEN SAYS IF HE DOESN'T APPROVE THE PROJECT, OBAMA IS TURNING HIS BACK ON AMERICAN WORKERS.

IRAN-NUCLEAR

IRAN SAYS CIA BEHIND NUCLEAR SCIENTIST'S ASSASSINATION

TEHRAN, IRAN (AP) IRAN SAYS IT HAS EVIDENCE THAT THE UNITED STATES WAS BEHIND THE ASSASSINATION OF A TOP IRANIAN NUCLEAR SCIENTIST THIS WEEK IN TEHRAN.

THE SCIENTIST (MOSTAFA AHMADI ROSHAN) WAS KILLED IN A BRAZEN DAYLIGHT ASSASSINATION WHEN TWO ATTACKERS ON A MOTORCYCLE ATTACHED A

MAGNETIC BOMB TO HIS CAR. THE KILLING WAS SIMILAR TO EARLIER KILLINGS OF SCIENTISTS WORKING ON IRAN'S NUCLEAR PROGRAM.

THE IRNA STATE NEWS AGENCY SAYS IRAN'S FOREIGN MINISTRY HAS SENT A DIPLOMATIC LETTER TO THE U.S. SAYING THAT THE EVIDENCE SHOWS THE

CIA PROVIDED "GUIDANCE, SUPPORT AND PLANNING" TO ASSASSINS 'DIRECTLY INVOLVED' IN WEDNESDAY'S ATTACK. THE U.S. HAS DENIED ANY

ROLE IN THE ASSASSINATION.

THE NEWS AGENCY ALSO REPORTS THAT IRAN HAS SENT BRITAIN A LETTER ACCUSING IT OF HAVING AN "OBVIOUS ROLE" IN THE KILLING, NOTING THAT A SERIES OF ASSASSINATIONS BEGAN AFTER BRITAIN'S INTELLIGENCE

CHIEF HINTED AT OPERATIONS AGAINST TEHRAN.

THE U.S. AND ITS ALLIES FEAR IRAN'S NUCLEAR PROGRAM AIMS TO DEVELOP NUCLEAR WEAPONS. IRAN DENIES THE CHARGES, AND SAYS ITS NUCLEAR PROGRAM IS FOR PEACEFUL PURPOSES ONLY.

AFGHANISTAN

US SOLDIER CHARGED IN SUICIDE FACES HEARING

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KABUL, AFGHANISTAN (AP) THE U.S. MILITARY SAYS ONE OF EIGHT SOLDIERS ACCUSED OF ABUSE THAT DROVE A 19-YEAR-OLD SOLDIER TO SUICIDE IS FACING A PRELIMINARY HEARING AT A BASE IN A SOUTHERN AFGHANISTAN.
SPC. RYAN J. OFFUTT FACES CHARGES INCLUDING MALTREATMENT, INVOLUNTARY MANSLAUGHTER AND NEGLIGENT HOMICIDE IN THE DEATH OF PVT.
DANNY CHEN.
THE CHINESE-AMERICAN SHOT HIMSELF IN A GUARDHOUSE IN AFGHANISTAN IN OCTOBER AFTER WHAT INVESTIGATORS SAY WERE WEEKS OF RACIAL SLURS
AND BEING FORCED TO WORK GRUELING EXTRA DETAILS.
OFFUTT, 32, WAS CHARGED IN DECEMBER ALONG WITH SEVEN OTHERS. A MILITARY STATEMENT SAYS HE SERVED 14 MONTHS IN IRAQ BEFORE BEING DEPLOYED TO AFGHANISTAN. THE SUNDAY HEARING UNDER ARTICLE 32 OF THE
MILITARY CODE WILL DETERMINE WHETHER OFFUTT FACES COURT MARTIAL.

YEMEN

YEMENIS RETURN TO AREA RUN BY ISLAMIC MILITANTS
SANAA, YEMEN (AP) THOUSANDS OF DISPLACED YEMENIS HAVE RETURNED TO A RESTIVE AREA IN THE COUNTRY'S SOUTH THAT HAS BEEN UNDER THE CONTROL OF AL-QAIDA-LINKED MILITANTS SINCE MAY.
THEY SAY THE MILITANT GROUP, ANSAR AL-SHARIAH, WELCOMED THEM SATURDAY WITH CARBONATED DRINKS AND COOKIES THEN SLAUGHTERED COWS TO
FEED THEM DINNER. THE GROUP TOLD THEM IT HAS ESTABLISHED AN ISLAMIC
EMIRATE THAT WILL BE RULED ACCORDING TO STRICT ISLAMIC SHARIAH LAW.
SECURITY HAS COLLAPSED ACROSS YEMEN DURING 11 MONTHS OF MASS PROTESTS CALLING FOR THE OUSTER OF PRESIDENT ALI ABDULLAH SALEH, WHO
IS SUPPOSED TO LEAVE POWER THIS MONTH UNDER A U.S.-BACKED DEAL.
ISLAMIC MILITANTS SEIZED AREAS IN THE SOUTHERN ABYAN PROVINCE IN MAY. SECURITY FORCES HAVE SO FAR FAILED TO PUSH THEM OUT.

CHINA-US-IRAN

CHINA STRONGLY OPPOSES US SANCTIONS ON OIL COMPANY
BEIJING (AP) CHINA HAS EXPRESSED STRONG DISSATISFACTION OVER U.S. SANCTIONS ON A STATE-RUN OIL COMPANY FOR ALLEGEDLY PROVIDING LARGE
AMOUNTS OF GASOLINE TO IRAN.
THE U.S. SAID THURSDAY IT WAS HITTING ZHUHAI ZHENRONG WITH SANCTIONS FOR BROKERING THE DELIVERY OF MORE THAN \$500 MILLION IN GASOLINE TO IRAN OVER SIX MONTHS. IT SAID THE COMPANY MADE INDIVIDUAL TRANSACTIONS WORTH MORE THAN THE \$1 MILLION ALLOWABLE UNDER U.S. LAW.
FOREIGN MINISTRY SPOKESMAN LIU WEIMIN SAID IN A STATEMENT LATE SATURDAY THAT IMPOSING UNILATERAL SANCTIONS ON CHINESE COMPANIES BASED ON AMERICAN LAW IS UNREASONABLE. HE SAID IT VIOLATES THE SPIRIT AND CONTENT OF U.N. RESOLUTIONS CONCERNING IRAN'S NUCLEAR PROGRAM.
THE COMPANY HAS DENIED EXPORTING REFINED OIL TO IRAN.

CEREAL POISONING

CA MAN SUSPECTED OF POISONING WIFE'S RICE KRISPIES
AZUSA, CALIF. (AP) A SOUTHERN CALIFORNIA MAN HAS BEEN ARRESTED ON SUSPICION OF PUTTING POISON IN HIS WIFE'S CEREAL.
LOS ANGELES COUNTY JAIL RECORDS SHOW 43-YEAR-OLD FERNANDO PORRAS OF AZUSA WAS BEING HELD ON \$1 MILLION BAIL SATURDAY ON SUSPICION OF
THE ATTEMPTED MURDER OF HIS 51-YEAR-OLD WIFE, FERNANDA.
AZUSA POLICE CPL. RANDY SCHMIDT SAYS THE WOMAN NOTICED A HORRIBLE TASTE AND SMELL THURSDAY IN HER RICE KRISPIES.
SCHMIDT TELLS THE SAN GABRIEL VALLEY TRIBUNE THE WOMAN WAS TAKEN TO A HOSPITAL, WHERE POLICE GREW SUSPICIOUS OF HER HUSBAND WHEN

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HE
 SAID HE WAS GOING TO SMOKE A CIGARETTE, THEN DISAPPEARED. HE WAS
 ARRESTED ABOUT TWO MILES AWAY.
 POLICE ALLEGE PORRAS PUT A POISONOUS CHEMICAL IN THE CEREAL, BUT
 THEY DIDNT SAY WHAT IT WAS. POLICE SGT. DEWAYNE ELDRIDGE SAYS
 THE
 WOMAN WASN'T BELIEVED TO BE SERIOUSLY HARMED BY THE SUBSTANCE.
 PORRAS IS SCHEDULED TO APPEAR IN COURT TUESDAY.

NOME ICED IN
 CREWS READY FUEL DELIVERY TO ICED-IN AK VILLAGE
 ANCHORAGE, ALASKA (AP) THE COAST GUARD SAYS A RUSSIAN TANKER
 CARRYING MUCH-NEEDED FUEL OF THE ALASKAN CITY OF NOME HAS MOORED
 JUST OFF SHORE AND IS SET TO START THE KEY PHASES OF DELIVERING
 THE
 DIESEL FUEL AND GASOLINE.
 COAST GUARD SPOKESMAN KIP WADLOW SAYS THE 370-FOOT TANKER RENDA
 MOORED SLIGHTLY LESS THAN A HALF-MILE FROM THE CITY'S HARBOR
 SATURDAY EVENING.
 THE U.S COAST GUARD CUTTER HEALY THAT CLEARED A PATH THROUGH
 HUNDREDS OF MILES OF BERING SEA ICE FOR THE TANKER IS MOORED
 NEARBY.
 WADLOW SAYS THAT NOW CREWS ARE MAKING PREPARATIONS TO ENSURE THE
 SAFE DELIVERY OF THE 1.3-MILLION GALLONS OF FUEL THROUGH A HOSE
 LAID
 ON TOP OF THE ICE TO THE HARBOR.
 HE SAYS HE DOESNT KNOW HOW LONG THAT WILL TAKE, BUT THEY WILL
 HAVE TO WAIT 12 HOURS TO ENSURE THAT ALL THE DISTURBED ICE HAS
 REFROZEN.
 AT THAT POINT, WADLOW SAYS TEAMS WILL HAVE TO BUILD SOME SORT OF
 ROAD OR PATHWAY OVER THE ICE FOR THE HOSES TO REST ON.

TAIWAN-PRESIDENTIAL ELECTION
 RE-ELECTED TAIWAN LEADER: CHINA POLITICS CAN WAIT
 TAIPEI, TAIWAN (AP) ECONOMY FIRST, POLITICS LATER. THAT'S HOW
 TAIWAN'S NEWLY RE-ELECTED PRESIDENT VIEWS RELATIONS WITH THE
 CHINESE
 MAINLAND, WHICH IS BENT ON ACHIEVING UNITY WITH THE DEMOCRATIC
 ISLAND BUT WILL HAVE TO WAIT FOR IT.
 BEIJING FAVORED PRESIDENT MA YING-JEOU OVER A CHALLENGER FROM A
 PRO-INDEPENDENCE PARTY, AND HAS WORKED WITH MA TO BUILD CLOSER
 ECONOMIC LINKS. BUT WHILE CHINESE PRESIDENT HU JINTAO WOULD LIKE
 TO
 SEE PROGRESS IN REPAIRING THE RIFT BETWEEN TAIWAN AND THE
 MAINLAND
 BEFORE HE LEAVES OFFICE THIS YEAR, MA MADE CLEAR AFTER DECLARING
 VICTORY SATURDAY THAT HE WANTS TO STRENGTHEN ECONOMIC TIES BEFORE
 ADDRESSING POLITICAL ISSUES.
 THE TWO SIDES SPLIT AMID CIVIL WAR IN 1949, AND CHINA WANTS
 TAIWAN BACK INTO THE FOLD _ BY PERSUASION IF POSSIBLE, BY FORCE
 IF
 NECESSARY.

MISS AMERICA
 MISS WISCONSIN WINS MISS AMERICA PAGEANT IN VEGAS
 LAS VEGAS (AP) A 23-YEAR-OLD BEAUTY QUEEN FROM KENOSHA, WIS.,
 HAS WON THE MISS AMERICA PAGEANT IN LAS VEGAS.
 LAURA KAEPPeler (KEP'-LER) WON THE PAGEANT SATURDAY NIGHT AFTER
 STRUTTING IN A WHITE BIKINI AND BLACK BEADED EVENING GOWN,
 SINGING
 OPERA AND ANSWERING A QUESTION ABOUT WHETHER BEAUTY QUEENS SHOULD
 DECLARE THEIR POLITICS BY SAYING MISS AMERICA REPRESENTS
 EVERYONE.
 MISS OKLAHOMA BETTY THOMPSON CAME IN SECOND WHILE MISS NEW YORK
 KAITLYN MONTE PLACED THIRD.
 KAEPPeler WINS A \$50,000 SCHOLARSHIP AND GETS THE TITLE FOR ONE
 YEAR.

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GEOHERMAL VOLCANO

PROJECT TO POUR WATER INTO VOLCANO TO MAKE POWER
UNDATED (AP) GEOTHERMAL ENERGY DEVELOPERS PLAN TO PUMP 24
MILLION GALLONS OF WATER INTO THE SIDE OF A DORMANT VOLCANO IN
CENTRAL OREGON THIS SUMMER TO DEMONSTRATE NEW TECHNOLOGY THEY
HOPE

WILL GIVE A BOOST TO A GREEN ENERGY SECTOR THAT HAS YET TO LIVE
UP

TO ITS PROMISE.

GEOTHERMAL ENERGY HAS BEEN EXPLOITED FOR A CENTURY.

BUT EFFORTS TO EXPAND A NEW ASPECT OF IT KNOWN AS EGS -- FOR
ENHANCED GEOTHERMAL SYSTEMS -- HAVE LAGGED AMID COMPLAINTS ABOUT
EARTHQUAKES AND DIFFICULTIES CREATING BIG ENOUGH GEOTHERMAL
RESERVOIRS IN HOT ROCKS DEEP UNDERGROUND TO RUN COMMERCIAL POWER
PLANTS.

THE FEDERAL GOVERNMENT, GOOGLE AND OTHERS HAVE INVESTED MORE THAN
\$40 MILLION IN ALTAROCK ENERGY, INC. OF SEATTLE AND DAVENPORT
NEWBERRY HOLDINGS LLC OF STAMFORD, CONN. TO SEE IF THEY CAN
OVERCOME

THOSE PROBLEMS.

SOUTH CAROLINA -ECONOMY

ECONOMIC WOES COULD TRUMP SOCIAL ISSUES IN SC
PROSPERITY, S.C. (AP) FOR THE FIRST TIME THIS ELECTION SEASON,
THE REPUBLICAN PRESIDENTIAL RACE IS NOW PLAYING OUT IN A STATE
WITH

A DISMAL ECONOMY.

SOUTH CAROLINA'S UNEMPLOYMENT RATE OF 9.9 PERCENT EXCEEDS THE
NATIONAL AVERAGE OF 8.5 PERCENT. AND IT'S A LOT HIGHER THAN THE
RATES IN IOWA AND NEW HAMPSHIRE, THE FIRST TWO VOTING STATES.
MANUFACTURING AND CONSTRUCTION JOB LOSSES HAVE HAMMERED SOUTH
CAROLINA. THE STATE ALSO HAS SEEN A SHARP DOWNTURN IN ITS \$14
BILLION TOURISM INDUSTRY AND RISING GAS PRICES.

MORE THAN 18 PERCENT OF SOUTH CAROLINA'S RESIDENTS ARE LIVING IN
POVERTY, COMPARED WITH THE NATIONAL RATE OF JUST MORE THAN 15
PERCENT.

SO EACH REPUBLICANS CANDIDATE IS TRYING TO MAKE THE CASE THAT HE
OFFERS BEST CHANCE TO BEAT PRESIDENT BARACK OBAMA ON THE ECONOMY
IN

THE FALL.

EUROPE-FINANCIAL CRISIS

STANDARD & POOR'S DEFENDS MASS EUROPEAN DOWNGRADE
PARIS (AP) EUROPEAN LEADERS ARE DENOUNCING STANDARD & POOR'S
DOWNGRADE OF THE CREDIT RATINGS OF NINE EUROPEAN COUNTRIES.
THE PRESIDENT OF CYPRUS CALLS IT "COMPLETELY UNFAIR AND LOADED
WITH ULTERIOR MOTIVES."

BUT THE RATINGS AGENCY IS DEFENDING ITS DECISION, REITERATING
THAT EUROPE'S LEADERS AREN'T DOING ENOUGH TO SOLVE THEIR DEBT
CRISIS.

S&P ANALYST MORITZ KRAEMER SAID IN A CONFERENCE CALL SATURDAY
THAT GOVERNMENT MEASURES AREN'T SUFFICIENT TO RESTORE CONFIDENCE
AND

THAT AUSTERITY PACKAGES MAY PROMPT A BACKLASH.

AGENCY SPOKESMAN MARTIN WINN DISMISSED SUGGESTIONS THAT THE
AGENCY'S DECISIONS WERE POLITICAL AND COULD FURTHER HURT INDEBTED
COUNTRIES. HE SAYS THE TRACK RECORD OF OUR SOVEREIGN RATINGS AS
INDICATORS OF DEFAULT RISK WORLDWIDE IS VERY STRONG."

BULGARIA-SHALE GAS

BULGARIANS PROTEST AGAINST SHALE GAS PLANS

SOFIA, BULGARIA (AP) THOUSANDS OF BULGARIANS HAVE URGED THE
GOVERNMENT TO DROP PLANS FOR SHALE GAS EXPLORATION, FEARING IT
COULD

HAVE A HAZARDOUS IMPACT ON THE ENVIRONMENT AND ON PEOPLE'S
HEALTH.

PROTESTERS RALLIED IN THE CAPITAL, SOFIA, AND OTHER MAJOR CITIES

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ON SATURDAY PUSHING FOR A MORATORIUM ON HYDRAULIC FRACTURING, THE TECHNOLOGY USED IN OBTAINING UNDERGROUND SHALE GAS.

LAST JUNE, BULGARIA GRANTED U.S. OIL COMPANY CHEVRON A PERMIT TO EXPLORE FOR SHALE GAS IN THE NORTHEASTERN PART OF THE COUNTRY. IN THIS MAIN GRAIN PRODUCING REGION IN BULGARIA, THE POTENTIAL RESERVES

OF SHALE GAS ARE ESTIMATED AT UP TO 1 TRILLION CUBIC METERS. BULGARIA, WHICH IS ALMOST TOTALLY DEPENDENT ON RUSSIAN GAS SUPPLIES, HAS REPEATEDLY SAID THAT IT WANTS TO DIVERSIFY ITS ENERGY

SOURCES, INCLUDING WITH SHALE GAS.

IRAN-OIL

IRAN WARNS ARABS NOT TO REPLACE EMBARGOED OIL

TEHRAN, IRAN (AP) AN IRANIAN PRO-REFORM NEWSPAPER SAYS THE COUNTRY'S OPEC GOVERNOR HAS WARNED THE COUNTRY'S ARAB NEIGHBORS THAT

TEHRAN WILL VIEW ANY INCREASE IN CRUDE PRODUCTION TO COUNTERBALANCE

A POTENTIAL EMBARGO ON IRANIAN OIL AS AN UNFRIENDLY ACT.

A SUNDAY REPORT BY SHARGH DAILY QUOTES MOHAMMAD ALI KHATIBI AS SAYING THAT ARAB NATIONS WILL BE AN "ACCOMPLICE IN THE CONSEQUENCES

," IF THEY RAISE OUTPUT TO OFFSET ANY POTENTIAL LOSS OF IRANIAN CRUDE EXPORTS DUE TO AN EMBARGO.

NEW U.S. SANCTIONS AGAINST IRAN APPROVED LAST MONTH TARGET THE COUNTRY'S CENTRAL BANK AND, BY EXTENSION, ITS ABILITY TO SELL PETROLEUM ABROAD. THE U.S. HAS DELAYED IMPLEMENTING THE SANCTIONS FOR AT LEAST SIX MONTHS. THE EU IS ALSO CONTEMPLATING AN EMBARGO.

BUSINESS NOTES

EUROPE WEIGHS ON WALL STREET --NIGERIA, UNIONS TO MEET ON OIL THREAT --MARKET HOLIDAY MONDAY

NEW YORK (AP) EUROPE'S DEBT WOES WEIGHED ON WALL STREET FRIDAY. THE DOW FELL 49 POINTS, OR 0.4 PERCENT, TO 12,422. THE S&P LOST 6 POINTS, WHILE THE NASDAQ SHED 14 POINTS.

BERLIN (AP) _GERMAN CHANCELLOR ANGELA MERKEL (AHN'-GEH-LAH MEHR'-KUHL) SAYS STANDARD AND POOR'S DOWNGRADES OF NINE COUNTRIES UNDERLINE THE FACT THAT THE EUROZONE FACES A "LONG ROAD" TO WIN BACK INVESTORS' CONFIDENCE. SHE'S PUSHING FOR QUICK ACTION ON A NEW

BUDGET DISCIPLINE PACT AND A PERMANENT RESCUE FUND. GERMANY KEPT ITS

AAA RATING BUT S&P STRIPPED FRANCE OF ITS TOP-NOTCH RATING, POTENTIALLY COMPLICATING EUROPE'S EFFORTS TO KEEP ITS WEAKER ECONOMIES AFLOAT.

LAGOS, NIGERIA (AP) NIGERIA'S GOVERNMENT WILL MEET WITH LABOR UNIONS IN A LAST BID TO HALT A PARALYZING NATIONAL STRIKE THAT THREATENS OIL PRODUCTION IN AFRICA'S MOST POPULOUS NATION. A MAJOR

UNION HAS SAID IT WILL STOP PRODUCTION IN NIGERIA IF THE GOVERNMENT

DOESN'T RESTORE FUEL SUBSIDIES THAT KEEP GASOLINE PRICES LOW. A PRODUCTION HALT COULD CAUSE OIL FUTURES TO RISE.

NEW YORK (AP) U.S. FINANCIAL MARKETS ARE CLOSED FOR THE HOLIDAY MONDAY. THE COMING WEEK IS A BUSY ONE FOR EARNINGS REPORTS, WITH CITIGROUP, GOLDMAN SACHS, IBM, INTEL AND MICROSOFT AMONG THE COMPANIES SCHEDULED TO RELEASE QUARTERLY RESULTS.

LOS ANGELES (AP) MOVIE AND TV STUDIO LIONS GATE IS BUYING SUMMIT ENTERTAINMENT, THE MAKER OF THE HIT "TWILIGHT" SERIES, FOR NEARLY

\$413 MILLION IN CASH AND STOCK. LIONS GATE IS SET TO RELEASE ITS OWN

SERIES BASED ON YOUNG ADULT NOVELS, "THE HUNGER GAMES," IN MARCH.

GOLDEN GLOBES-TEA PARTY

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DAVIS, STREEP CELEBRATE AT PRE-GLOBES TEA PARTY
LOS ANGELES (AP) BEFORE THE GOLDEN GLOBES CHAMPAGNE, THERE IS THE
BAFTA TEA.

THE BRITISH ACADEMY OF FILM AND TELEVISION ARTS HELD ITS 18TH
ANNUAL AWARDS SEASON TEA PARTY SATURDAY, WHERE A SLEW OF GOLDEN
GLOBE NOMINEES SIPPED EARL GREY AND NIBBLED ON FINGER SANDWICHES
AND

SCONES WITH JAM AND CREAM.

MICHELLE WILLIAMS, VIOLA DAVIS, MERYL STREEP AND CHARLIZE THERON
-- ALL UP FOR BEST ACTRESS SUNDAY -- MINGLED WITH FELLOW
FILMMAKERS

AND NOMINEES AT THE AFTERNOON AFFAIR AT THE FOUR SEASONS HOTEL,
ALSO

HOME TO A GIFT SUITE AND BEAUTY LOUNGE LEADING UP TO THE GLOBES.
THE 69TH ANNUAL GOLDEN GLOBE AWARDS WILL BE PRESENTED SUNDAY AT
THE BEVERLY HILTON HOTEL AND BROADCAST LIVE ON NBC.

PEOPLE

MUHAMMAD ALI CHEERED AT 70TH BIRTHDAY BASH IN KY.

LOUISVILLE, KY. (AP) DOZENS OF GUESTS GATHERED IN LOUISVILLE TO
CELEBRATE MUHAMMAD ALI'S 70TH BIRTHDAY WITH THE BOXING CHAMP.
AS ABOUT 350 PEOPLE MINGLED IN A LOBBY OF THE MUHAMMAD ALI CENTER
IN ALI'S HOMETOWN, HE WALKED OUT TO A SECOND-FLOOR BALCONY
OVERLOOKING THEM. THE CROWD BEGAN TO CLAP AND CHANT HIS NAME AND
THEN SANG HAPPY BIRTHDAY. ALI, WHO IS BATTLING PARKINSONS
DISEASE, LEANED AGAINST A RAIL AND RAISED HIS RIGHT HAND TO WAVE
TO

THE CROWD. THOSE GATHERED THEN HEADED INTO A BANQUET HALL WHERE
THE

PARTY WAS TAKING PLACE.

AMONG THE NOTABLE GUESTS IS UNIVERSITY OF KENTUCKY MEN'S
BASKETBALL COACH JOHN CALIPARI. HE SAID THAT HE GREW UP AS A FAN
OF

ALI'S AND LOVED THE BOXER BECAUSE OF HIS CONFIDENCE.

ALI TURNS 70 ON TUESDAY.

TODAY IN HISTORY

TODAY IS SUNDAY, JAN. 15, THE 15TH DAY OF 2012. THERE ARE 351
DAYS LEFT IN THE YEAR.

TODAY'S HIGHLIGHT IN HISTORY:

ON JAN. 15, 1862, THE U.S. SENATE CONFIRMED PRESIDENT ABRAHAM
LINCOLN'S CHOICE OF EDWIN M. STANTON TO BE SECRETARY OF WAR,
REPLACING SIMON CAMERON.

ON THIS DATE:

IN 1559, ENGLAND'S QUEEN ELIZABETH I WAS CROWNED IN WESTMINSTER
ABBEY.

IN 1777, THE PEOPLE OF NEW CONNECTICUT DECLARED THEIR
INDEPENDENCE. (THE REPUBLIC LATER BECAME THE STATE OF VERMONT.)

IN 1929, CIVIL RIGHTS LEADER MARTIN LUTHER KING JR. WAS BORN IN
ATLANTA.

IN 1943, WORK WAS COMPLETED ON THE PENTAGON, HEADQUARTERS OF THE
U.S. DEPARTMENT OF WAR (NOW DEFENSE).

IN 1947, THE MUTILATED REMAINS OF 22-YEAR-OLD ELIZABETH SHORT,
WHO CAME TO BE KNOWN AS THE "BLACK DAHLIA," WERE FOUND IN A
VACANT

LOS ANGELES LOT; HER SLAYING REMAINS UNSOLVED.

IN 1954, MARILYN MONROE AND JOE DIMAGGIO GOT MARRIED AT SAN
FRANCISCO CITY HALL. (THE MARRIAGE, HOWEVER, LASTED ONLY ABOUT
NINE
MONTHS.)

IN 1961, A U.S. AIR FORCE RADAR TOWER OFF THE NEW JERSEY COAST
COLLAPSED INTO THE ATLANTIC OCEAN DURING A SEVERE STORM, KILLING
ALL

28 MEN ABOARD.

IN 1967, THE GREEN BAY PACKERS OF THE NATIONAL FOOTBALL LEAGUE
DEFEATED THE KANSAS CITY CHIEFS OF THE AMERICAN FOOTBALL LEAGUE

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35
-10 IN THE FIRST AFL-NFL WORLD CHAMPIONSHIP GAME, RETROACTIVELY
KNOWN
AS SUPER BOWL I.
IN 1971, THE RECENTLY COMPLETED ASWAN HIGH DAM IN EGYPT WAS
DEDICATED DURING A CEREMONY ATTENDED BY PRESIDENT ANWAR SADAT AND
SOVIET PRESIDENT NIKOLAI PODGORNYY.
IN 1987, ENTERTAINER RAY BOLGER, PERHAPS BEST KNOWN FOR PLAYING
THE SCARECROW IN THE 1939 MGM MUSICAL "THE WIZARD OF OZ," DIED
IN
LOS ANGELES AT AGE 83.
IN 1992, THE YUGOSLAV FEDERATION, FOUNDED IN 1918, EFFECTIVELY
COLLAPSED AS THE EUROPEAN COMMUNITY RECOGNIZED THE REPUBLICS OF
CROATIA AND SLOVENIA.
IN 2009, US AIRWAYS CAPT. CHESLEY "SULLY" SULLENBERGER DITCHED
HIS AIRBUS 320 IN THE HUDSON RIVER AFTER A FLOCK OF BIRDS
DISABLED
BOTH THE PLANE'S ENGINES; ALL 155 PEOPLE ABOARD SURVIVED.
TEN YEARS AGO: ATTORNEY GENERAL JOHN ASHCROFT SAID THAT JOHN
WALKER LINDH, THE 20-YEAR-OLD CALIFORNIAN WHO HAD FOUGHT
ALONGSIDE
THE TALIBAN IN AFGHANISTAN, WOULD BE CHARGED WITH CONSPIRACY TO
KILL
U.S. CITIZENS AND COULD FACE LIFE IN PRISON IF CONVICTED. (LINDH
RECEIVED A 20-YEAR SENTENCE AFTER PLEADING GUILTY TO SUPPLYING
SERVICES TO THE TALIBAN AND CARRYING EXPLOSIVES IN COMMISSION OF
A
FELONY.) ARTHUR ANDERSEN LLP SAID IT WAS FIRING SENIOR AUDITOR
DAVID
B. DUNCAN, WHO HAD ORGANIZED A "RUSHED DISPOSAL" OF ENRON
DOCUMENTS AFTER FEDERAL REGULATORS REQUESTED INFORMATION ABOUT
THE
FAILING ENERGY COMPANY. FORMER CHICAGO MAYOR AND ILLINOIS SUPREME
COURT CHIEF JUSTICE MICHAEL BILANDIC DIED AT AGE 78.
FIVE YEARS AGO: THE IRAQI GOVERNMENT HANGED TWO OF SADDAM HUSSEIN
'S HENCHMEN, INCLUDING A HALF-BROTHER, BARZAN IBRAHIM, WHO WAS
ACCIDENTALLY DECAPITATED BY THE NOOSE. "BABEL" WON BEST MOVIE
DRAMA AND "DREAMGIRLS" WAS NAMED BEST MUSICAL OR COMEDY AT THE
GOLDEN GLOBES; "GREY'S ANATOMY" WAS NAMED BEST TV DRAMA SERIES
AND
"UGLY BETTY" BEST TV COMEDY.
ONE YEAR AGO: SEVERAL INTERNATIONAL ENVOYS _ BUT CRUCIALLY NONE
FROM THE WORLD POWERS _ GOT A LOOK INSIDE AN IRANIAN NUCLEAR SITE
AT
THE INVITATION OF THE TEHRAN GOVERNMENT BEFORE A NEW ROUND OF
TALKS
ON IRAN'S DISPUTED ATOMIC ACTIVITIES. MISS NEBRASKA TERESA
SCANLAN
WON THE MISS AMERICA PAGEANT IN LAS VEGAS. ACTRESS SUSANNAH YORK,
72, DIED IN LONDON.
TODAY'S BIRTHDAYS: ACTRESS MARGARET O'BRIEN IS 75. ACTRESS ANDREA
MARTIN IS 65. ACTOR-DIRECTOR MARIO VAN PEEBLES IS 55. ACTOR JAMES
NESBITT IS 47. SINGER LISA LISA (LISA LISA AND CULT JAM) IS 45.
ACTOR CHAD LOWE IS 44. ALT-COUNTRY SINGER WILL OLDHAM (AKA '
'BONNIE
PRINCE BILLY') IS 42. ACTRESS REGINA KING IS 41. ACTOR EDDIE
CAHILL
IS 34. RAPPER/REGGAETON ARTIST PITBULL IS 31. ELECTRONIC DANCE
MUSICIAN SKRILLEX IS 24.
THOUGHT FOR TODAY: "A NATION OR CIVILIZATION THAT CONTINUES TO
PRODUCE SOFT-MINDED MEN PURCHASES ITS OWN SPIRITUAL DEATH ON THE
INSTALLMENT PLAN." MARTIN LUTHER KING JR. (1929-1968).
ENTERTAINMENT HISTORY
ON JANUARY 15TH, 1954, MARILYN MONROE MARRIED JOE DIMAGGIO IN SAN

FRANCISCO. THEY SPLIT AFTER NINE MONTHS.
IN 1964, JOHNNY RIVERS BEGAN A YEAR-LONG STINT AS THE SPOTLIGHT ARTIST AT THE WHISKY A GO-GO IN LOS ANGELES. HE HELPED TURN THE CLUB INTO A HOT SPOT, AND ABOUT SIX WEEKS LATER HIS HIT ALBUM "JOHNNY RIVERS AT THE WHISKY A GO-GO" WOULD BE RECORDED.
IN 1967, THE ROLLING STONES APPEARED ON THE "ED SULLIVAN SHOW" TO SING "LET'S SPEND THE NIGHT TOGETHER." TO SATISFY CENSORS, MICK JAGGER SANG "LET'S SPEND SOME TIME TOGETHER."
IN 1974, THE TV SITCOM "HAPPY DAYS" PREMIERED ON ABC.
ALSO IN 1974, BROWNSVILLE STATION GOT A GOLD RECORD FOR THEIR ONLY HIT, "SMOKIN' IN THE BOYS' ROOM."
IN 1982, SINGER HARRY WAYNE CASEY OF KC AND THE SUNSHINE BAND WAS SERIOUSLY INJURED IN A CAR ACCIDENT IN MIAMI. HE SPENT MOST OF THE YEAR RECOVERING.
IN 1987, ACTOR RAY BOLGER DIED. HE WAS 83. HE'S PROBABLY BEST KNOWN FOR PLAYING THE SCARECROW IN THE WIZARD OF OZ.
IN 1991, SEAN LENNON'S REMAKE OF HIS FATHER'S "GIVE PEACE A CHANCE" WAS RELEASED TO COINCIDE WITH THE UNITED NATIONS' MIDNIGHT DEADLINE FOR IRAQ TO WITHDRAW FROM KUWAIT. THE LYRICS WERE UPDATED TO REFLECT CONCERNS OF THE 1990S.
IN 1992, JOHNNY CASH, THE JIMI HENDRIX EXPERIENCE AND THE ISLEY BROTHERS WERE AMONG THOSE INDUCTED INTO THE ROCK AND ROLL HALL OF FAME.
IN 1994, SINGER HARRY NILSSON DIED OF HEART DISEASE IN AGOURA HILLS, CALIFORNIA. HE WAS 52.

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From: Mishina, Kimito
Sent: 1/17/2012 4:27:55 AM
To: SMART Core
Subject: JANUARY 16, 2012 - IRAN DAILY BRIEF

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MRN: 12 RPO DUBAI 20
Date/DTG: Jan 17, 2012 / 170927Z JAN 12
From: IRAN RPO DUBAI
Action: WASHDC, SECSTATE IMMEDIATE
E.O.: 13526
TAGS: PREL, PGOV, IR, ECON
Captions: SENSITIVE, SIPDIS
Subject: JANUARY 16, 2012 - IRAN DAILY BRIEF

NUCLEAR / SANCTIONS:

1. (SBU) IAEA COMING TO IRAN ON JANUARY 28?: Citing anonymous sources domestic and international press wrote on January 14 that an IAEA delegation would be traveling to Iran on January 28. Speaking to the Islamic Republic News Agency (IRNA) on the sidelines of a January 14 memorial service for slain scientist Mostafa Ahmadi Roshan (see January 11 IDB), Foreign Ministry Spokesman Mehmanparast said however, 'IAEA inspectors will be coming to Iran and there is a strong chance that this visit will take place in about a month.' He said that Tehran was continuing to cooperate with the IAEA and that Iran was subjected to a very high level of surveillance, compared to other countries. Meanwhile, Larijani-linked Khabar Online published a January 15 editorial headlined, 'Nuclear inspectors or CIA spies?', referring to the possible upcoming visit.

2. (SBU) IRAN HOLDS U.S., UK RESPONSIBLE FOR SCIENTIST ASSASSINATIONS: The Iranian Foreign Ministry held the US and Britain at least partially responsible for the assassinations of its nuclear scientists in diplomatic letters dispatched to the two countries on January 14, the burial day of assassinated scientist Mostafa Ahmadi Roshan. The letter to the US, delivered to the Swiss Ambassador in Iran, said the US had not responded to past Iranian letters which accused the US of supporting terrorist groups working against the Islamic Republic, calling the lack of any response 'a silent acquiescence.' The letter, portions of which were published in domestic press on January 14, said, 'Based on credible evidence and reliable information, this [Ahmadi Roshan's] assassination was carried out with the guidance, support, and planning of the CIA, and with the direct involvement of that service's agents; and the [US] government is directly responsible and must answer [for its actions] according to international law and bilateral obligations.' The letter added, 'The Islamic Republic, while condemning this unchivalrous assassination and demanding an immediate American explanation, issues serious warnings as to its consequences [...].' The letter demanded that the US immediately halt its support for anti-Iran terrorist groups, which threatened global security and peace. The letter to the UK said that the assassination of Iranian scientists had begun shortly after MI6 Chief John Sawers had declared 'the beginning of intelligence operations against Iran' in 2010.

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3. (SBU) IRAN WARNS ARAB NEIGHBORS AGAINST SUBSTITUTING FOR IRAN OIL: Iran's OPEC Governor Mohammad Ali Khatibi said on January 15, 'If our southern neighbors cooperate with adventurist countries by replacing Iranian oil with their oil, these countries will be responsible for ensuing events. [...] They will have given a green light and such acts cannot be considered friendly.' In an interview with the moderate 'Shargh' Newspaper, he added, 'If the Persian Gulf oil countries give a green light regarding substitution for Iranian oil, whatever happens afterwards, these countries will be the main agents of actions being carried out to impose sanctions on Iranian oil.' Responding to a question about the EU declaring that Persian Gulf states are ready to compensate if Iran's oil is boycotted, he said, 'We have to wait and see what Europe decides. Iranian oil sanctions have serious opponents. If what the EU Revolving President [Denmark] says is true, such an act by Persian Gulf states, which are our neighbors and fellow OPEC members, would not be considered friendly.' He added, 'Some countries are engaged in adventurism and consumers are looking for a green light from Iran's southern neighbors, in order to have a substitute in case Iranian oil is sanctioned. That's why British, and even Japanese officials, have come to the region and are meeting our southern neighbors.'

ECONOMICS:

4. (SBU) CBI: UNREGISTERED DOLLARS A CRIME; EXCHANGES ONLY THROUGH LICENSED DEALERS...: The Central Bank (CBI) declared on January 14 that effective January 15 unlicensed currency dealers would be arrested as smugglers, their dollars confiscated, and that they would be fined double the value of their confiscated currency. Announcing the latest measures to control the volatile currency market, CBI Supervisory Deputy Governor Ebrahim Darvishi said that licensed exchange houses would only be allowed to apply CBI-approved rates, although he was equivocal when asked whether this meant the 'recommended rate' posted by the Association of Exchanges of Iran (AEI) which has stood at 1,400 toman for over a week. Darvishi said that licensed currency houses would henceforth be obliged to register all transactions through their computers on the SANA system. *(Note: Acronym for 'samaneh nezarateh arz' or currency supervision system. The CBI had already issued a similar statement on July 6, demanding that exchange houses install Microsoft's .NET software framework on their computers in order to record all their transactions on the bank's new SANA system. (see July 6 IDB))*

5. (SBU)...BUT CBI WARNINGS DISREGARDED BY CURRENCY DEALERS...: Licensed and unlicensed currency dealers appeared to be disregarding CBI threats and directives on January 15, according to domestic press reports. Mehr News's reporter said at 2 PM local that unlicensed dealers were actively trading in Tehran's Ferdowsi district and that he had witnessed no arrests or other heightened police action. Other outlets said that neither police nor CBI inspectors had been seen in the neighborhood which is home to most of the capital's currency exchanges; and Larijani-linked Khabar Online said that unlicensed dealers were still present in large numbers, although they were refraining from chanting their usual cry of 'Dollar! Dollar!' while they kept a lookout for security forces. Even licensed exchange houses were only paying lip service to CBI directives, according to domestic reports, posting the AEI's recommended rate of 1,400 toman per dollar on their boards (see above), but mostly showing interest in only buying dollars, although a few engaged in 'under-the-table' transactions at 1,650 to 1,690 toman per dollar.

6. (SBU)...WHILE KHAMENEI-LINKED NEWSPAPER SAYS CURRENCY MARKET CALM AFTER NEW MEASURES: Keyhan Newspaper, close to Leader Khamenei's office, wrote on January 16 that the Ferdowsi district, and by extension the currency market, was calm following the harsh new CBI restrictions on unlicensed dealers. While admitting that most licensed exchange houses were limiting their transactions to dollar purchases and at times 'fearfully and with trembling hands' selling dollars at rates higher than the AEI price, the unlicensed dealers had been hampered and 'were crawling in side streets of the Ferdowsi district.' The paper said that most goods merchants and passersby expressed satisfaction with the decision to pursue and prosecute the unlicensed dealers, with one haberdasher claiming that street dealers in front of his shop had become a nuisance and had reduced his business, while a man who had been told by a licensed exchange house that they had no dollars to sell told Keyhan that the 'CBI restrictions should have been enacted a long time ago.'

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7. (SBU) FOOD PRICES RISE AS SURGING CURRENCY RATES MAKE IMPORTS MORE EXPENSIVE ...: Food prices, particularly for those goods which rely on imported raw materials, have risen in recent weeks, domestic press reported on January 15, saying that neither consumer-protection inspectors, nor the CBI's recent measures 'which have come too late,' had managed to stem the increase in prices. IRGC-linked Fars News wrote that *Barbari* and sesame-sprinkled *Sangak* breads which must legally be priced at respectively 375 toman (about US\$0.35) and 600 toman (about US\$0.55) were being sold for up to 500 toman (about US\$0.45) and 1,000 toman (about US\$0.90) in some Tehran bakeries. But Deputy Industry, Mines, and Commerce Minister Mohammad Ali Zeighami said on January 15, 'In this field [bread market], if there is any need for correcting prices, which is absolutely not being discussed at this time, the task force will look into it. We have not had any proposals to increase the price of bread.' He said that basic goods should not see any price increase because such goods were considered priorities in the allocation of reference-rate hard currency by the CBI and because hoarding and price-gouging are considered violations. Mehr News wrote that people were hoarding so much that their homes had become 'small warehouses.' The news agency published a list of food prices which had increased recently, without providing comparative past prices:

- Rice, ramezani variety: 35,900 toman (about US\$32.60) for 10-kilogram sack
- Vegetable oil: 9,215 toman (about US\$8.40) for 4-kilogram pack
- Sugar and sugar cubes: 810 and 1,490 toman (about US\$0.73 and US\$1.35) per kilogram
- Lamb shank: 19,900 toman (about US\$18.10) per kilogram
- Chicken: 3,100 toman (about US\$2.80) per kilogram
- Eggs: 1,800 toman (about US\$1.60) per 0.380 kilogram tray
- Milk: 1,050 toman (about US\$0.95) per liter bottle
- Macaroni: 870 toman (about US\$0.80) a kilogram
- Red beans: 2,990 toman (about US\$2.70) a kilogram
- Tea: 5,580 toman (about US\$5.07) per 0.5 kilogram pack
- Dates: 2,800 toman (about US\$2.54) per kilogram
- Potatoes: 470 toman (about US\$0.43) a kilogram
- Onions: 350 toman (about US\$0.32) a kilogram
- Tomatoes: 920 toman (about US\$0.83) a kilogram
- Oranges: 1,200 toman (about US\$1.10) a kilogram
- Washing powder (hand wash): 625 toman (about US\$0.56) per box

8. (SBU)...WHILE MINING MACHINERY, STEEL PRICES ALSO INCREASE: A mining expert told domestic press on January 14 that heavy mining equipment prices had increased by 50% over the past year. He said, 'Close to 100% of such equipment is imported, therefore the increase of the dollar rate has had a proportional effect on this machinery' and spare parts. He said that the price of mining output had also risen precipitously, partially because of more expensive machinery, partly because of rising energy prices due to the Targeted Subsidies Law (TSL). Meanwhile, the Iranian Labor News Agency quoted National Metal Syndicate Head Mohammad Azad as saying on January 14 that 'the price of iron has increased by some 20% in the past month' because of the increase in hard currency rates. He said that the price of iron bars had risen from 920 toman (about US\$0.83) to 1,110 toman (about US\$1.00) in that period. He said, 'The dollar rate has increased by about 50% in the past month or two, but the price of iron has not risen as much because of a market slump. If there had not been this slump, the price of iron would have also been boosted by 50%.'

9. (SBU) NO MILK SUBSIDIES IN NEXT YEAR'S BUDGET: Deputy Industry, Mines, and Commerce Minister Mohammad Ali Zeighami said on January 15 that milk subsidies would be eliminated in the 1391 (21 March 2012 – 20 March 2013) budget bill. He said however that some 50 billion toman (about US\$45 million) in subsidies would be allocated for general interventions in the market to control prices.

10. (SBU) INDUSTRIAL STATISTICS FOR THE YEAR 1388: The number of industrial units with ten or more employees decreased by 5.5% to 16,128 units in 1388 (21 March 2009 – 20 March 2010), compared to the previous year, according to census results published by Statistics Center of Iran (SCI) on January 15. The provinces with the largest of number of such workshops were in the following provinces, which

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accounted for 42% of the country's industrial units with ten or more workers:

- Tehran: 3,822 workshops
- Esfahan: 1,908 workshops
- Razavi Khorasan: 1,112 workshops

The industrial units with ten or more workers increased their overall added value, output value, and direct exports by respectively 8.07%, 36.07%, and 22.8%, compared to the previous year. The SCI wrote that 1.251 million workers were employed in such industrial units in 1388, a fall of 0.85% compared to the previous year.

11. (SBU) OVER 80% OF WORKERS UNDER POVERTY LINE? In a January 15 interview with the Iranian Labor News Agency (ILNA), labor expert Mohammad Reza Emadi said, 'Over 80% of workers throughout the country live under the poverty line.' He added, '[...] The poverty line in urban areas is 1.2 million tomans (about US\$1,090), while over 80% of workers in industrial units make the minimum wage set by the Supreme Labor Council.' *(Note: The minimum wage for 1390 (21 March 2011 – 20 March 2012) is about 360,000 tomans (about US\$327) per month. He did not explain whether the poverty line applied to households, but past poverty line figures have often been calculated for households of just under 4 people.)*

12. (SBU) UNEMPLOYMENT RATES BY PROVINCE: The national unemployment rate in the spring of 2011 was 12.3%, according to the SCI, which published a list of unemployment rates by province, from highest to lowest, on January 15:

Lorestan: 22.8%
Kohgiluyeh va Boyer Ahmad: 21.9%
Fars: 21.7%
Ilam: 21.1%
Alborz: 20.9%
Ardebil: 20.4%
Kermanshah: 18.4%
Kerman: 16.4%
Chahar Mahal va Bakhtiari: 16.3%
Ghazvin: 16.3%
Esfahan: 16%
Kurdistan: 15.9%
North Khorasan: 15.4%
Semnan: 15.2%
Gilan: 14.8%
Zanjan: 13.5%
Hamedan: 12.7%
West Azerbaijan: 12.6%
Tehran: 12.6%
Bushehr: 12.5%
Khuzestan: 12.1%
Markazi: 12.1%
Hormozgan: 12%
South Khorasan: 11.5%
Sistan va Baluchistan: 11.5%
East Azerbaijan: 11.1%
Razavi Khorasan: 11%
Ghom: 10.4%
Mazandaran: 10.3%
Golestan: 9.2%
Yazd: 8.1%

13. (SBU) MARKET INDICATORS:

US Dollar, Central Bank rate: 1,132 tomans, up from 1,129 tomans yesterday
US Dollar, open market: 1,690 tomans, down from 1,695 tomans yesterday
Bahareh Azadi gold coin, bank: 691,000 tomans, up from 670,000 tomans yesterday
Bahareh Azadi gold coin, open market: 691,000 tomans, up from 670,000 tomans yesterday
Tehran Stock Exchange index: 25,903 points, up 148.1 points (0.57%) from 25,754

POLITICAL:

14. (SBU) UNCERTAINTY OVER AZAD UNIVERSITY PRESIDENT CONTINUES: Contradictory reports persisted on January 15 and 16 about whether Azad University President Abdollah Jasbi, an ally of University Board of Governors Head Hashemi Rafsanjani, had been replaced by Farhad Daneshjou, brother of President Ahmadinejad's Higher Education Minister Kamran Daneshjou (see January 12 IDB). Rafsanjani had derived considerable political and financial power by wielding control over Azad University, whose dozens of institutions have over 1.5 million students and assets estimated to exceed US\$25 billion, for the past three decades. Rafsanjani and Jasbi maintain that the Board's January 11 vote designating Daneshjou as the nominee for Azad University Presidency was illegal because it had not been confirmed or called by Rafsanjani. Daneshjou has countered five of the nine board members voted for him and that a January 12 statement outlining problems with his election was not the Board of Governors' statement, but rather that of a minority faction. Matters were complicated further by domestic press reports on January 16 which claimed that President Ahmadinejad was also against Daneshjou's presidency and that he had postponed a meeting of the Supreme Council of the Cultural Revolution, which he chairs and which must confirm the Board of Governors' choice before it becomes official, for two weeks. Domestic press quoted anonymous pro-Ahmadinejad Principists, who expressed suspicions that Daneshjou was in fact going to implement policies similar to those of Jasbi and that he was not sufficiently qualified for the post.

15. (SBU) TWO MASHAI ASSOCIATES GET HEAVY SENTENCES; AHMADINEJAD MEDIA ADVISER SENTENCED TO ONE YEAR: Two unnamed associates of Chief-of-Staff Esfandiar Rahim Mashai and his so-called deviant current have been given prison sentences of 8 and 10 years for spying for the US, UK, and Italy; embezzlement; and 'having illegitimate relations,' according to January 15 domestic press reports. They have also been sentenced to 99 lashes, a lifetime ban on government service, and fines. Meanwhile, Ahmadinejad's media adviser and IRNA Head Ali Akbar Javanfekr was sentenced to one year in prison and a 5-year ineligibility to hold any media positions on charges of having insulted Leader Khamenei, it was reported on January 15. Javanfekr recently appealed another one-year sentence handed down for articles which appeared in a supplement of the government's Iran Newspaper, which were deemed insulting to Islamic values.

16. (SBU) MOTAHARI REJECTS HIS DISQUALIFICATION: Prominent Principist Majlis Representative Ali Motahari who was disqualified from running in the March 2012 legislative elections by the Interior Ministry's vetting boards last week, rejected the accusations made against him in a letter to the Interior Ministry, it was reported on January 14. In the letter which was published by domestic press, he denounced the charges of lacking loyalty and fealty towards the Islamic regime, Islam, the Constitution, and the Supreme Leader.

17. (SBU) FORMER IRGC NAVY COMMANDER'S CRITICAL LETTER PROVOKES IRE OF KHAMENEI SUPPORTERS: In a rare, albeit couched, criticism of Iran's current leadership, former IRGC Naval Forces Commander and former IRGC Joint Chiefs Chairman Hossein Alai published an editorial in Etelaat Newspaper and Larjani-affiliated Khabar Online on January 9, ostensibly taking the Shah to task with a number of questions which were clearly directed at the country's current leadership (see January 10 IDB). The editorial was subsequently taken off the Khabar Online site and Alai was subjected to a wave of condemnation by pro-regime websites and news outlets, who accused him of collusion with the enemy and being a supporter of opposition leader Mir Hossein Mousavi. Twelve current and former senior IRGC officers published a letter condemning Alai on January 14. On the same day, pro-Khamenei demonstrators gathered outside Alai's house and vandalized his main door and garden

walls.

ENERGY:

18. (SBU) IRAN SAYS NO DISCOUNTS ON OIL: National Iranian Oil Company (NIOC) Deputy Director for International Affairs Seyed Mohsen Ghamsari said on January 15 that certain European countries had expressed readiness to pre-purchase Iranian oil and rejected any possibility of discounting the price of Iranian oil. He said that any reduction in Iranian crude exports to European refineries was 'completely normal and natural.'

MILITARY / SECURITY / INTELLIGENCE:

19. (SBU) MAJLIS SPEAKER: SOME PERPETRATORS OF SCIENTIST ASSASSINATION ARRESTED: Speaker Ali Larijani told Iran's Arabic-language satellite news channel Al Alam on January 16 that 'a number of elements involved in Ahmadi Roshan's assassination have been arrested.' He did not provide any other details on the arrests, but added, 'Iran will not sit by quietly in the face of nuclear scientist Ahmadi Roshan's assassination by the Zionist regime.'

20. (SBU) NEW INTELLIGENCE MINISTRY RESPONSIBILITIES: The Intelligence Ministry and Law Enforcement Forces (LEF) will henceforth be responsible for identifying 'organized currency and goods smuggling networks,' according to a Majlis bill passed on January 15.

21. (SBU) KHAMENEI ACCUSES CIA AND MOSSAD OF BEING BEHIND SCIENTIST ASSASSINATION: Leader Ali Khamenei said in a January 12 statement published by his office that the perpetrators and planners of the assassination of scientist Mostafa Ahmadi Roshan would not escape punishment,' adding, 'This cowardly assassination, whose perpetrators and planners will never dare confess to their filthy crime, like other crimes committed by the international state terrorism network, was carried out through the planning or support of the CIA and Mossad [...].' He said that the crime indicated that 'world arrogance, led by America and Zionism, has reached a dead end in its confrontation with the determined and pious Iranian nation.' He said that, despite all efforts of the Western powers, Iran had managed to reach 'peaks of scientific progress' and that it would not be diverted from its path.

22. (SBU) FOREIGN MINISTRY SAYS ALL THOSE WHO EXPOSED SCIENTIST NAMES ARE GUILTY: Following the assassination of scientist Ahmadi Roshan, Foreign Ministry Spokesman Mehmanparast said on January 14, 'The Islamic Republic considers all those who divulged the names of Iranian nuclear scientists to be responsible.' He added, 'They must answer for what they have done and Iran will pursue this matter with all the means at its disposal.' (Note: Iran has accused the UN and the IAEA of leaking the scientists' names (see January 11 and 12 IDBs).)

23. (SBU) MAJLIS DEPUTY SECURITY CHIEF SAYS SENIOR OFFICIALS AND NATIONAL SECURITY COUNCIL WILL DECIDE ON 'RESPONDING IN KIND' TO ASSASSINATIONS: Responding to a question about the possibility of the Islamic Republic 'responding in kind' to Iranian scientists' assassinations, Majlis National Security and Foreign Affairs Committee Deputy Chairman Esmail Kowsari said on January 13, 'This is among the matters that must be decided by the regime's senior officials and the Supreme National Security Council.' Responding to criticism of the Intelligence Ministry for allowing a spate of similar assassinations to take place in Tehran, he said, 'The security apparatus has carried out its duties by furnishing a driver and bodyguard. But we agree that attention must be paid to this issue.' He added, 'It is not a correct analysis to say that because the assassinations took place near the Intelligence Ministry, the ministry is not acting with resolve. You could even have the incident taking place two inches away from the ministry, and this would still have nothing to do with the ministry's methods.'

USG / IRAN:

24. (SBU) KHAMENEI AIDE RESPONDS TO OBAMA LETTER ON STRAIT: Responding to President Obama's letter warning Iran against closure of the Strait of Hormuz, Khamenei's military adviser and former IRGC Chief Yahya Rahim Safavi said on January 16 that Iran would use all the tools at its disposal to counter

threats against it. He told reporters, 'The Strait of Hormuz is a strategic waterway, both for world trade and energy.' He said, 'If any danger threatens Iran, we will use various instruments, political and otherwise, to defend our interests.'

25. (SBU) SELECTION OF HEADLINES:

Conservative:

Kayhan: Special report on first day of ban on currency dealers: Currency dealers absent; Currency market calm

Jomhuri Eslami: Ban on dual-nationals having important positions

Resalat: Revolutionary Court will try smuggling cases

Javan: [Intelligence Minister] Moslehi: We will give a string response to the terrorist West

Moderate:

Mardomsalari: Amnesty on Syria

Tehran Emrouz: Deviant current plans to raise TSL cash payments before end of the year [March 20]

Shargh: {Ahmadinejad's media adviser and IRNA Head} Javanfekr sentenced to one year in prison [for insulting Khamenei]

Rouzegar: Uncertainty over [Farhad] Daneshjou's presidency [of Azad University] - Ahmadinejad's entourage speaks of his opposition to this choice to lead Azad University

Etemad: Banned by Tehran Prosecutor for 2 months (Nov 20 - Jan 20)

Pro-government:

Iran: NA

Financial:

Donyayeh Eghtesad: Support for competitive bank deposit rates

Jahaneh Sanat: Uncertainty over Azad University leadership

Signature: EYRE

Drafted By: RPO DUBAI:Mishina, Kimito

Cleared By: IRPO:Eyre, Alan E

Approved By: IRPO:Eyre, Alan E

Released By: RPO DUBAI:Mishina, Kimito

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